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UNITED STATES BANKRUPTCY COURT
DISTRICT OF IDAHO

In re:)	Chapter 12
)	
TERRY HIPWELL)	Case No. 96-02095
)	
Debtor.)	TRUSTEE'S MOTION TO
)	DISTRIBUTE FUNDS

BACKGROUND

The Second Amended Chapter 12 Plan for the above-named Debtor was confirmed May 30, 1997. A stipulation with Travelers Insurance provided for vesting of the property with the trustee in the event of default by the Debtor. The Debtor was unable to commence remitting plan payments to the trustee which caused the trustee to sell the real property and pumps and irrigation system associated with the property. From this sale, the trustee netted \$674,413.86. This amount and crop checks has resulted thus far in the trustee making remittances as follows which does not include trustee fees:

Terry Hipwell (use of cash collateral)	\$112,374.30
Reed Grain & Bean	11,962.18
Landview Fertilizer	80,047.77
Travelers Insurance	556,133.93
Howard Foley (atty fees)	7,000.00
Rae Anderson (realtor fees)	<u>35,000.00</u>
TOTAL	<u>\$802,518.18</u>

FUNDS ON HAND

The trustee has \$17,880.48 in his Trust Account which represents:

- (a) November 12, 1998 check #7051 from Baker Auction Co for \$7,828.50 for the sale of equipment.
- (b) August 10, 1998 check #5421 from Trinidad/Benham Corp for \$194.52 which represents the sale of 36,481# small white beans @ \$20 per cwt less \$772.50 for seed, \$6,300.00 for combining and \$29.18 bean tax.
- (c) June 9, 1999 check #6517 from Trinidad/Benham Corp for \$2,357.46 which represents the sale of 80,735# sample grade beans @ \$3 per cwt less \$64.59 bean tax.
- (d) The Amalgamated Sugar Company February 12, 1999 check #111667 for \$7,500.00. These funds represent a settlement obtained by Michael Roe in a State court settlement involving breach of contract and promissory estoppel.

PROPOSED DISTRIBUTION OF FUNDS ON HAND

The trustee has filed a motion to dismiss the Debtor for failure to remit payments to the trustee as provided in the confirmed plan. The trustee proposes distribution of funds in his possession as follows:


Priority Creditors	\$14,859.69
Michael Roe (1/3 of \$7,500.00)	<u>2,500.00</u>
	17,359.69
3% Trustee fees	<u>520.79</u>
TOTAL DISTRIBUTION	<u>\$17,880.48</u>

PROPOSED DISTRIBUTION TO PRIORITY CREDITORS

The confirmed plan includes six priority creditors with claims totaling \$20,243.71. The trustee proposes to allocate \$14,859.69 to these claims which is a distribution of 73.4040% as follows:

	<u>PER PLAN</u>	<u>PROPOSED</u>
State Tax Commission	\$ 927.92	\$ 681.13
Internal Revenue Service	12,082.04	8,868.70
Alejandro Valladeres-Ponce	1,712.75	1,257.23
Armando Rivera-Vega	2,176.00	1,597.27
Felipe Villalabos-Zavala	1,400.00	1,027.66
Fivel Perez	<u>1,945.00</u>	<u>1,427.70</u>
TOTAL	<u>\$20,243.71</u>	<u>\$14,859.69</u>

DATED This 19th day of June, 2002.



Ronald D. Schoen, Trustee